

**MEETING MINUTES**  
**WATER QUALITY ASSURANCE REVOLVING FUND ADVISORY BOARD**  
Arizona Department of Environmental Quality, 1110 West Washington Street, Phoenix, Arizona  
April 30, 2004

**Board Members in Attendance:**

Richard Bark	Nancy Petersen (for Karen Masbruch)
Kelly Barr	Phil McNeely
Bridget Bero	Glinda Oakes
Steven Besich	Karen O'Regan
Frank Corkhill	Karen Gaylord
Will Humble	Lee Stein
Rick Lavis	Jim Viereggs
	Nicholas Wallwork

**Board Members Absent:**

Lori Faeth  
Tamara Huddleston  
Manuel Ramirez

The meeting was called to order at 9:06 a.m.

Action Items:

- ADEQ's web site will be updated to include a full collection of WQARF Board meeting minutes.
- ADEQ will circulate a copy of the letter responding to Myron Deibel's concerns regarding the Vulture Mill site to all WQARF Board members.
- ADEQ will include a PRP search status report as part of the year end report.

**I. Welcome/Opening Remarks/Administrative Issues –**

**A. Committee Appointments** – Chairman Lavis presented the 2004 WQARF Board Committee Assignments [April 30, 2004]. Standing Committees and Chairs are: Budget and Finance (Nick Wallwork); Legislative (Kelly Barr and Richard Bark); Technical (vacant); Funding Priorities (Karen Gaylord).

**B. Re-Appointment: QBS Reform Committee** – Chairman Lavis re-appointed the Qualified Business Settlement (QBS) Reform Committee, Lee Stein, Chairman.

**II. Approval of March 26, 2004 Draft Meeting Minutes** – Karen O'Regan made a motion to adopt the draft March 26, 2004 minutes; Phil McNeely seconded the motion. All were in favor to approve the minutes as drafted.

**III. Department Reports**

**A. ADEQ** – Mr. McNeely presented the ADEQ Department Report. Mr. McNeely highlighted the ADEQ Director's pending WQARF Registry listing decisions for the 56<sup>th</sup> Street and Earll Drive and the Cooper and Commerce sites; an American Public Works Association award presented to ADEQ and the City of Tucson for the Western Groundwater Containment System at the Broadway-Pantano

WQARF site; and Vulture Mill site activities. Chairman Lavis discussed a series of letters between ADEQ and Mr. Myron Deibel documenting negotiations for site access and noted that Mr. Deibel contends ADEQ is not living up to its commitments. Chairman Lavis reported he had reviewed the ADEQ correspondence in response to the issues/concerns Mr. Deibel raised at the March 26, 2004 WQARF Board meeting. Chairman Lavis noted the response was well done, complete, and demonstrated that ADEQ had worked very hard to accommodate Mr. Deibel's concerns. Chairman Lavis requested that ADEQ's latest correspondence to Mr. Deibel be circulated to all WQARF Board members.

- B. ADWR** – Mr. Corkhill presented the ADWR Department report. Approximately 730 well applications were reviewed in the month of March 2004. Approximately 40 wells were found to be near WQARF registry sites. Well inventory work has been completed in Tucson, efforts are shifting to Tyson Wash. Ms. Petersen (for Karen Masbruch) asked Mr. McNeely whether and how ADWR well inventories would be made available to the public. Mr. McNeely indicated he would need to research the answer.
- C. ADHS** – Mr. Humble presented the ADHS Department Report. ADHS received \$100,000 through an Intergovernmental Service Agreement (ISA) with ADEQ for FY04. Of that amount, approximately \$20,000 has been spent mainly on consultations for the Voluntary Program, some for WQARF site work. Approximately \$80,000 balance remains. ADHS has been performing some health consultations (using federal funds) at sites that have come under the purview of WQARF. Mr. Humble recommends that the ISA with ADEQ be extended in term at the same funding level.

#### **IV. CAB Report – None**

- V. Review: Setting Site Clean Up Priorities** – Chairman Lavis reminded the WQARF Board that the five year site plan as presented by the Budget and Finance Committee at the March 26, 2004 meeting had been approved. Chairman Lavis suggested the WQARF Board may want to consider re-addressing the prioritization of sites so the WQARF program could better show measurable progress. Karen Gaylord was recognized for her work done toward the revision of the Eligibility and Evaluation (E&E) site risk evaluation model.
  - A. List of sites based on current site scores** – A copy of the WQARF site registry was presented showing site names and E&E scores.
  - B. List of the top 5 sites** – The “top five” sites by E&E score as of April 30, 2004 are Pinal Creek (97), El Camino del Cerro (71), Klondyke Tailings (69), Vulture Mill (65) and Payson PCE (63).
  - C. A review of the report and recommendations of Funding Priorities Committee of September 26, 2003** – Karen Gaylord distributed handouts titled “IN A NUTSHELL” and “REPORT AND RECOMMENDATIONS OF THE SUBCOMMITTEE ON FUNDING PRIORITIES.” The first priority as recommended was the implementation of Early Response Actions (ERAs). Work to advance sites toward final remedies was the second priority.
  - D. The revision of Site Scoring Model/Committee recommendations** – Karen Gaylord distributed a handout titled “Subcommittee Recommendations for

Revision of the E&E Scoring Model, September 26, 2003.” Ms. Gaylord reminded the WQARF Board that ADEQ did not have in-house resources to complete a comprehensive revision of the E&E model and that an outside subject matter expert would need to be retained. Mr. McNeely reported that a vendor’s proposal had been received and that work would begin on the revision as soon as the contract was awarded. Mr. McNeely related that the E&E score for a site is not always the determining factor in whether a site is cleaned up, also, the current E&E model is limited in its ability to distinguish between sites where levels of contaminants, land uses and water uses are quite different. Ms. Gaylord also discussed the development of “Other Factors” guidance which will require a renewed completion effort after the E&E model is revised. In addition, re-scoring of sites would be appropriate using the revised E&E model.

- E. The current funding priorities** - Ms. Gaylord distributed a handout titled “WQARF Site Expenditures Criteria, May 23, 2002” which lists the WQARF Board recommendations for prioritization of WQARF resources.
- F. PRP Search Effort: What is the plan?** – Chairman Lavis expressed that he wished to see PRP searches performed early in the site investigation process. Mr. McNeely related that site investigations help direct the PRP search effort and that most PRP searches are “catching up” to the site investigations that are currently underway. Mr. McNeely also related that the \$1,000,000 allocation in the FY05 budget for PRP search efforts is only an estimate of the level of effort necessary to move PRP searches forward next year. Chairman Lavis requested that ADEQ include a PRP search status report as part of the year end report.
- G. Implementation of HB 2484** – Discussion deferred to Legislative Committee Report.

## **VI. Committee Reports**

- A. Budget and Finance Committee** – Nicholas Wallwork and Mr. McNeely presented the budget reports. Mr. Wallwork related that FY04 actual expenditures were on target with projections, provided \$5,000,000 of the Corporate Income Tax is reverted to Arizona Department of Revenue as is expected. Mr. Wallwork noted a continuing cost recovery deficiency and that causes and cures for this “structural” deficit will be further examined. Chairman Lavis requested that ADEQ provide an accounting of expenditures (by site) as a supplement to the next report of the Budget and Finance Committee
- B. Legislative Committee**
  - 1. HB 2484** – Richard Bark reported that HB 2484 passed out of the House and will be effective 90 days after the end of the Legislative session.
  - 2. UST/WQARF Legislation** – Richard Bark reported that this legislation was waiting to be read in the House. The legislation would retire the State Assurance Fund (and the supporting gasoline tax) on December 31, 2013. By June 30, 2006, all reports of releases would need to be made, by 2009 all pre-approvals of work would need to be received, and by 2010 all claims for payment would be due.

- VII. Other Business** – Chairman Lavis reminded the WQARF Board that the next meeting date is May 21, 2004. A Nominating Committee for WQARF Board officers will be

appointed at the next meeting, elections to follow at the meeting after that. Chairman Lavis reported that he had been reminded by ADEQ's Chief Financial Officer (Mike Clark) that only state vendors are to be used for the purchase of awards. Chairman Lavis reminded the WQARF Board that ADEQ Deputy Director Patrick Cunningham was present when the awards in question were purchased.

**VIII. Public Comment** – None.

**IX. Adjournment** – Ms. O'Regan made a motion to adjourn and Mr. Vieregg seconded the motion. The meeting adjourned at 10:57 a.m.